

MINUTES OF THE
CITY OF SANTA FE
PUBLIC UTILITIES COMMITTEE

Santa Fe, New Mexico

January 15, 2003

A regular meeting of the City of Santa Fe Public Utilities Committee was called to order on this date at approximately 5:15 p.m. in City Hall Council Chambers. Roll Call indicated the presence of a quorum, as follows:

Members Present:

Councilor Matthew E. Ortiz, Chair
Councilor Patti J. Bushee
Councilor David Coss
Councilor Rebecca Wurzburger

Members Excused:

Councilor Carol Robertson Lopez

Other Governing Body Members Present:

Councilor David Pfeffer

Staff Present:

Mr. Jerry Lowance, Public Utilities
Ms. Luana Montoya, Public Utilities
Mr. Rick Carpenter, Water Division
Ms. Dale Doremus, Water Division
Mr. Gary Martinez, Water Division
Ms. Maya Martinez, Water Wise Program
Ms. Kathryn Raveling, Finance Department
Mr. David Schmiedicke, Public Utilities

APPROVAL OF AGENDA

The Agenda was reprioritized.

Councilor Wurzburger moved approval of the agenda, as amended. Councilor Coss seconded the motion and it passed by voice vote, with Chairman Ortiz, Councilor Bushee, Councilor Coss and Councilor Wurzburger voting for, and none against.

APPROVAL OF MINUTES: November 21 and December 4, 2002

Councilor Wurzburger moved approval of the November 21 and December 4 meeting minutes, as submitted. Councilor Coss seconded the motion and it passed by voice vote, with Chairman Ortiz, Councilor Coss and Councilor Wurzburger voting for, and Councilor Bushee abstaining.

ACTION ITEMS

Request by Las Campanas for a Temporary Agreement to Transfer Effluent. (Bill Deihl, President, Las Campanas.)

Las Campanas representative Mickey Baird indicated that he could speak for Mr. Deihl, who was not present.

Councilor Bushee moved to postpone this item until the PUC hears a status report from Wastewater director Costy Kassisieh and Wastewater Reuse Advisory Task Force on inflow and existing effluent contracts. Mr. Coss seconded the motion.

Asked when those reports could be expected, Councilor Bushee said she understood Mr. Kassisieh planned to make a presentation to the PUC next month, and that the Task Force would have their information in another couple of weeks.

Mr. Kassisieh stated that he attended a meeting of the Task Force yesterday, and there was no indication to him that they were close to finishing their work. He stated that he planned to make a presentation to the PUC at the next meeting on future wastewater plant needs, and offered to make a second presentation on effluent contracts and other issues being addressed by the Task Force so the Committee could make an informed decision.

Staff stated that the PUC would next meet on February 5.

Councilor Bushee said that would be fine. She commented that it would amount to piecemealing if the PUC were to consider Las Campanas' request without knowing exactly what the City had to offer and how Las Campanas' needs would fit in to that.

The motion passed by voice vote, with Chairman Ortiz, Councilor Bushee, Councilor Coss and Councilor Wurzburger voting for, and none against.

Request Approval of Award Contract Rehab Four Million Gallon Tank for Lone Mountain Contracting, Inc. (Frank Bailey, Senior Engineer, Water Division.)

Mr. Bailey came forward and clarified for the Committee that this tank is still being used by the City and is losing about 4 million gallons annually.

Mr. Bailey's report to the Committee indicated that Lone Mountain Contracting, the low bidder, would remove the tank from the distribution system for repair during the low water demand period of February and March.

Councilor Wurzbarger moved for approval. Councilor Coss seconded the motion, which passed by voice vote, with Chairman Ortiz, Councilor Bushee, Councilor Coss and Councilor Wurzbarger voting for, and none against.

Consideration of Resolution No. 2003-____. (Councilor Coss)
A Resolution to Establish a Water Conservation Budget Based on Recommendations from the Water Conservation Committee for Use of the \$500,000 from the City of Santa Fe's Water Conservation Fund. (Daniel Ransom, Water Compliance and Education Specialist.)

Councilor Coss noted that the \$70,000 specified on page 2 of the resolution for water harvesting had been changed to \$90,000 for "water harvesting devices and general conservation efforts." He said that could include rain barrels, greywater, and other water harvesting methods.

Councilor Coss stated that about \$500,000 annually can be expected from the twice-per-year surcharge imposed on water customers, and this resolution addresses use of those monies during the current fiscal year. He said the Public Works Committee amended the Water Conservation Committee's recommendations this week to state:

Page 1, line 20:

Add "in the current fiscal year."

Page 1, line 22:

Whereas the Water Conservation Committee has recommended that \$150,000 ~~be used to assist affordable housing projects with required water conservation plumbing retrofits~~ be available in a revolving loan account to assist residences with City approved water conservation methods.

Referring to the amendments, Councilor Coss explained that staff had discovered that the City is not permitted to put any money toward administration; additionally, the

\$150,000 was not needed as originally stated because water savings from the retrofits at the end of the Water Wise Program were already being applied to affordable housing projects.

Councilor Coss also stated that the educational component [detailed in Exhibit A to the resolution] was changed to:

Page 1, line 24:

...the Water Conservation Committee has recommended that ~~\$110,000~~ up to \$90,000 be used for water conservation education and outreach in Santa Fe's schools....

Councilor Coss said the \$20,000 was applied to rain barrels and other water conservation devices.

Councilor Coss stated that he envisioned the revolving loan fund to be low interest or no interest.

Councilor Bushee said she did not oppose that idea, but wanted further information on how such a fund would work. She commented that she doubted most people needing a front end washing machine would want to take out a loan to purchase one. She added that cistern and catchment systems are fairly pricey, and sand filtration systems are not regulated at this point. She said she had envisioned the fund, as had other Councilors, as an incentive type of rebate fund. She commented that Albuquerque offers rebates for everything from installing xeric landscaping to toilet retrofits to front end washing machines.

Councilor Bushee also expressed concern that there be sufficient enforcement staff in order to ensure widespread conservation, since she did not see the City coming out of Stage 3 in the immediate future.

Councilor Coss indicated that he would be willing to amend line 4, page 2 of the resolution from \$90,000 to \$240,000 as a direct rebate line item, or else the City could start exploring the revolving loan fund concept using this capital. He said the Conservation Committee was flexible, its goal simply to get recommendations out in time for the midyear budget review.

Chairman Ortiz agreed with Councilor Bushee that some of the details of this resolution need to be fleshed out. He said he was intrigued by the idea of a revolving loan fund. He stated that he would like to see all of the proposed uses for the Water Conservation Fund on a single list so Councilors could pick and choose what they wanted and didn't want.

Chairman Ortiz said existing staff should be used, to the extent possible, to do the education and outreach so a good portion of the money could go toward programs.

Councilor Bushee suggested that lines 22-23 on page one, addressing affordable housing, be deleted, and that the \$150,000 to be used for that purpose be shifted over to the “water harvesting and general water conservation” section created by the Public Works Committee, so the total would be \$240,000. She said this category would also cover a revolving loan fund.

Councilor Coss moved approval of the resolution, with those amendments, and with the previously-discussed amendment on page 1, line 20, adding “in the current fiscal year.” Councilor Bushee seconded the motion, with Chairman Ortiz, Councilor Bushee, Councilor Coss and Councilor Wurzburger voting for, and none against.

**Consideration of Resolution No. 2003-___. (Mayor Larry A. Delgado)
A Resolution Authorizing and Approving Submission of a Completed
Application for Financial Assistance and Project Approval to the New
Mexico Finance Authority for the Buckman Supplemental Well Nos.
10-13 Project. (Rick Carpenter, Water Resource Projects Coordinator.)**

Councilor Wurzburger moved for approval. Councilor Bushee seconded the motion.

Councilor Wurzburger stated that she and Mr. Carpenter went to the BLM on Monday to ask their staff to process the City’s applications for these four wells, and she was encouraged by their comment that they didn’t expect too much public outcry on this application in comparison to what the City could expect on the diversion project.

Councilor Wurzburger said that staying within the time frame was crucial so the wells could be used as a resource this summer.

Mr. Carpenter clarified for Councilor Pfeffer that the first two wells should be online in late June or early July, and the following two wells approximately 30 days after that.

The motion passed by voice vote, with Chairman Ortiz, Councilor Bushee, Councilor Coss and Councilor Wurzburger voting for, and none against.

Consideration of Amendment No. 4 to the Professional Services Agreement With Watershed West, LLC, to Provide Stream Flow Monitoring Services on the Santa Fe River for the City of Santa Fe (Dale Doremus, Environmental Projects Coordinator)

Councilor Coss moved for approval. Councilor Bushee seconded the motion.

Councilor Coss asked if Watershed West would build the rock weirs themselves, or would the City build them. He said \$193,000 seemed like a substantial amount for this contract, although he recognized that the company would be checking gauges and doing other work.

Ms. Doremus responded that Watershed West would subcontract out the construction of the rock weirs. She stated that \$48,000 had been budgeted for the design and construction of the weirs. In terms of whether some of this work might be done internally, she said City staff could likely be used for placing future structures in the river for flood control and erosion control, but in this particular instance the weirs need to be constructed precisely for the purpose of getting low flow measurements.

The motion passed by voice vote, with Chairman Ortiz, Councilor Bushee, Councilor Coss and Councilor Wurzbarger voting for, and none against.

Update PUC Work Plan and Priority List for Water Supply Enhancements (Dale Doremus, Environmental Projects Coordinator; Rick Carpenter, Water Resources Coordinator; Gary Martinez, Source of Supply Manager; Daniel Ransom, Water Compliance and Education Specialist.)

Chairman Ortiz said staff has given a detailed presentation on this item to the PUC, and it was on today's agenda because Councilor Bushee had not been present at that meeting. He stated that the PUC was unanimous in its support of the list as presented today.

Chairman Ortiz remarked that some things on the list were big ticket items, and the to-be-hired Water Division director would have to make a presentation to the PUC on financing alternatives or options. In the meantime, he said, he thought it important to approve this list so staff can have some direction on policy.

Councilor Coss asked staff to discuss the status of the Hagerman Well, since this is a frequent topic at the RPA.

Ms. Doremus responded that there have been meetings with the County, City and Santa Fe Horse Park in terms of what kind of analysis is needed for the Hagerman Well. She said the County is soliciting bids for pump test work and possibly drilling monitor

wells to look at the capacity of the Hagerman. She commented that the well might need to be re-drilled to upgrade it to municipal well status.

Chairman Ortiz moved for approval. Councilor Wurzburger seconded the motion.

Councilor Bushee proposed an amendment that the PUC look at benchmarks in the work plan every January and June.

The amendment was accepted as friendly, and the motion passed by voice vote, with Chairman Ortiz, Councilor Bushee, Councilor Coss and Councilor Wurzburger voting for, and none against.

**Consideration of a Joint Fund Agreement With U.S. Geological Survey
(Dale Doremus, Environmental Projects Coordinator, Water Division.)**

Councilor Coss moved for approval. Councilor Wurzburger seconded the motion, which passed by voice vote, with Chairman Ortiz, Councilor Bushee, Councilor Coss and Councilor Wurzburger voting for, and none against.

INFORMATIONAL ITEMS

**Update Current Water Supply Status and Outlook for 2002.
(Gary Martinez, Source of Supply Manager, Water Division.)**

Mr. Martinez presented the weekly report for January 12, 2003.

Mr. Martinez stated that City well production averaged 2.68 mgd, and Buckman well production was 5.23 mgd, for a total of 7.92 mgd.

Mr. Martinez said total consumption demand for the week was 7.46 mgd, and Las Campanas' weekly average was .46 mgd.

Mr. Martinez stated that reservoir total capacity was 29%, and inflow was .58 mgd.

Mr. Martinez also submitted a report, requested by Councilor Wurzburger, providing a summary of weekly data comparisons for 2001, 2002 and 2003.

Councilor Bushee observed that Las Campanas' consumption this week was four times higher than this week last year or the year before.

Mr. Martinez responded that, at this time of year, Las Campanas fills up its ponds to prepare for the spring.

Councilor Wurzbarger said she was very concerned about increased water consumption on the City's part, which was why the City has to look at options for summer 2003. She said this could include working out a deal on the Hagerman well, trading effluent for water, and other solutions. She remarked, "If I read these numbers correctly, we're going to be in a worst situation than we were last summer — which all of us agreed we never wanted to experience again."

Chairman Ortiz said he would echo that — and for every week that the City doesn't have an agreement for effluent with Las Campanas, it is allowing them to use potable water.

**Presentation on Long-term Water Supply Enhancement Program
(Rick Carpenter, Water Resources Projects Coordinator, Water Division;
and Dr. William Brownlie, Tetra Tech.)**

Dr. Brownlie gave a slide presentation on the "Screening Process for Long-term Water Supply Project." [*Hard copy attached hereto as Exhibit "A."*]

Chairman Ortiz said he thought timeliness should be a separate criterion with special weight of its own, versus being merged into performance and reliability. He explained that, should a project come along that could be implemented fairly quickly, the value of getting it online should be greater than some of the other criteria.

Chairman Ortiz asked Dr. Brownlie if he thought it feasible to bring this project back to the PUC by May or June, following the public workshop process. Dr. Brownlie responded that this would be possible.

Chairman Ortiz remarked that perhaps the public workshop process could be a City-County process that would allow for public input, but in general he thought the methodology in this report made sense.

Councilor Wurzbarger stressed the importance of looking at regional solutions as part of the screening process. She agreed with the idea of a City-County public forum, because the problem was too big for the City to work on alone.

Councilor Coss agreed with the idea of coordinating the public process with the County.

Councilor Coss suggested that the Performance and Reliability criteria include the concept of sustainability.

Dr. Brownlie agreed to amend the second line of slide 13 to read, "Agency City, County & Public Input."

Councilor Bushee said she was not sure how public input would fit in when so many things are listed without any solid information on viability, feasibility, cost effectiveness, efficacy, etc. She said some items on the list could have long-term sustainability environmental impacts that she would not feel comfortable with in considering as options. She remarked that the public could come back and say everything looked good and the City shouldn't leave any of it out.

Chairman Ortiz stated that, based on Councilor Bushee's remarks, the public input component on the screening part of the options might really be more appropriate after the screening had taken place. He said public input could then be solicited on the screened list, after staff has fleshed all of it out.

Councilor Bushee stressed that she did not want to deprive the public of having their say, but pointed out that there are a number of community and regional experts on water who will know immediately what the pros and cons are of a particular item, whereas less informed members of the public will not.

Chairman Ortiz said he was comfortable with the idea of having public input on the criteria themselves, followed by public input again when the PUC has to make the final decisions. Councilor Bushee said that sounded fine to her.

Dr. Brownlie said that was his intent — public input be solicited at this stage, and then again after the screening process, when the options have been narrowed down.

Dr. Brownlie and staff agreed to bring the criteria list back to the PUC and then forward to the City Council.

Waterwise Program Final Report and CTSI Status Update (Maya Martinez, Administrative Manager, Water Division; Richard Chapman, CTSI Southwest).

Ms. Martinez presented figures reflecting \$829,947 in Waterwise program expenditures; 10,033 applicants; and 8,067 installations. *[Report submitted herewith as Exhibit "B."]*

CTSI Southwest consultant Richard Chapman presented his analysis on the final results of the City's Waterwise program. *[Report submitted herewith as Exhibit "B.1."]*

Mr. Chapman also presented his report on Water Conservation, reflecting commercial accounts by category, and consumption in millions of gallons within these categories (Lodging, Office, Retail/Banks, Unknown, Schools, Restaurants, Industrial, Medical, Laundry, Churches, Car Washes, Parks and Pools). *[Report submitted herewith as Exhibit "B.2."]*

In discussion, Mr. Lowance confirmed that there has been a dramatic drop in inflow to the treatment plant since the Waterwise program began. He said the drop, which is at 300,000 gallons per day, has stayed at that level since August 2002.

Councilor Bushee asked Ms. Martinez what enforcement efforts are underway at the City in terms of commercial toilet retrofits.

Ms. Martinez responded that her office is short staffed, and she hopes to have the vacant positions filled as soon as possible. She said her office is now staffed by Dan Ransom and a temporary employee. She assured Councilor Bushee that she has developed a plan that will be forwarded to the City Manager for his review.

Ms. Martinez stated that there is a waiting list of commercial businesses for toilet installations through the water budget program.

Councilor Wurzbarger observed from the report that only 10% of the older toilets in the city have been replaced through retrofits.

Councilor Wurzbarger said the chart prepared by CTSI listing water consumption by commercial category was the most valuable component in the entire report. She said she hoped the Water Conservation Committee would be looking into ways of addressing water conservation in these various categories.

Councilor Coss observed that car washes were “way down there” when compared to Lodging and some of the other categories.

Councilor Bushee pointed out that enforcement should be a major part of the City’s water conservation efforts, since it would result in immediate and substantial savings. She said the City first should be clear about its enforcement possibilities, however.

Chairman Ortiz agreed. In addressing enforcement priorities, he questioned whether the City would be relying on neighbors complaining about other neighbors’ sprinkler use, “or are we going to be hammering away at the hotels and telling them, ‘get on board, pal, or face the consequences.’ ” He said businesses have been given a year to comply, and the deadline is this month, and now the City needs to become serious.

Councilor Bushee suggested sending out a mass mailing to the various categories of business, reminding them of the ordinance, deadline and penalties, and then reminding them that it would be incumbent upon them to come into City Hall and prove they have complied. She said this would address the problem of insufficient enforcement staff. She suggested that the City Attorney be consulted.

Responding to questioning from Councilor Coss, Mr. Chapman said water use between businesses and residential uses is about 50/50 in the city, which is an unusual balance. He stated that he would run a chart showing the commercial and residential lines.

Councilor Coss remarked that this data would also be crucial to the City’s policy decisions — as the City keeps going back to the residential user with water conservation rules, it needs to go back to the commercial side, too.

Consideration of Implementation Plan of Individual Water Budgets for Large Commercial Users and Residential Customers (Dan Ransom, Water Compliance and Education Specialist, Water Division).

Mr. Ransom called attention to information put together by the Water Conservation Committee, and in particular by himself, Catherine Clemens and Melissa MacDonald.

Mr. Ransom said the proposed plan would give customers a choice of how they would use their water, and eliminating “water cops and watering days.” He said enforcement would take place at the water meter. He stressed that a major educational component would be included in this program, since it would be a crucial part of the water budget.

Councilor Coss said he wanted to be sure that the billing people thought this would work, since it was very directly tied to the customer satisfaction survey.

Councilor Coss stated that he would like to have this ordinance in place before the start of the irrigation season.

Councilor Coss pointed out that a household using this allocation year round would be at about one-third of an acre-foot of water use per household, which is in the ballpark of what has been used for residential use. He said it also corresponds to what was promised in the community water budget, that this water would be allocated to existing residents.

Councilor Bushee said she wanted assurances about equitability with this ordinance, since there are many large families in Santa Fe.

Councilor Coss stated that he would have proposed language on an ordinance introduced at the January 29 Council meeting, and then have it brought back for public hearing at the February 5 PUC meeting.

Ms. Clemens clarified that, according to the census, only 6.5% of the households in Santa Fe have over four people in them, of which 4.2% have five members, so it can be deduced that about 2% of the households in Santa Fe have large families — so this can be easily addressed given the relatively small numbers.

Councilor Bushee said she still wanted to see some kind of reward for low water users.

**Presentation Customer Satisfaction Surveys (David Schmiedicke,
Utilities Supervisor).**

Mr. Schmiedicke presented a summary of the satisfaction surveys.

In concluding his report, Mr. Schmiedicke stated that the City is already seeing positive results, as complaint calls to the City Manager's Office have diminished to zero over the last two months.

Mr. Schmiedicke said staff intended to send the survey out every six months to a year. He stated that staff would like to get a number of the recommendations implemented and resolved "behind the scenes" before that, however.

ITEMS FROM STAFF

None.

ITEMS FROM COMMITTEE

None.

ITEMS FROM FLOOR

None.

AGENDA ITEMS FOR FEBRUARY 5, 2002

No discussion.

ADJOURN

Its business completed, the Public Utilities Committee adjourned the meeting at approximately 8:45 p.m.

Approved by:

Councilor Matthew E. Ortiz, Chairman

Submitted by:

Judith S. Beatty, Committee Reporter